



**NEW
CHAPTER,
RENEWED
PURPOSE**

ANNUAL REPORT 2021/2022

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MISSION

Ensuring that the management and operation of a casino is carried out by persons who are suitable, and remains free from criminal influence or exploitation.

Ensuring that gaming in a casino is conducted honestly.

Containing and controlling the potential of a casino to cause harm to minors, vulnerable persons and society at large.



VISION

To be the Trusted Casino Regulator, Advancing Our Mission with Pride and Integrity for a Safe Singapore



VALUES

- ▷ Integrity
- ▷ Care
- ▷ Professionalism
- ▷ Pioneering Spirit
- ▷ Teamwork

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Mr Tan Tee How
Chairman

CHAIRMAN'S FOREWORD

On 1 August 2022, the Casino Regulatory Authority ("CRA") begins another significant chapter as the new national gambling regulator. In line with its expanded mission, CRA has been reconstituted as the Gambling Regulatory Authority ("GRA").

From our beginnings as the regulator of Singapore's casinos in 2008, our officers built a robust regulatory regime from scratch and enhanced it over the years, leveraging our regulatory experiences and understanding of the operating environment. We received much support from the international regulatory community, and we learned the best practices from around the world. The result is a casino regulatory regime that is well-regarded both within and outside Singapore.

Working closely with our partners such as the Singapore Police Force ("SPF"), the Ministry of Social and Family Development ("MSF") and the National Council on Problem Gambling ("NCPG"), CRA has achieved positive outcomes for Singapore. Gambling-related crimes remain low, and the problem gambling situation remains under control. With robust social safeguards in place, concerns of the potential harm that casinos can bring to our society have been largely allayed.

NEW CHAPTER, RENEWED PURPOSE

GRA will continue to work towards achieving such positive outcomes. The consolidation of gambling legislations reaffirms the Government's commitment to protect Singaporeans. The establishment of a national gambling regulator enables the pooling of resources and expertise on gambling regulation, and effective dealing of developments that cut across different types and modalities of gambling.

GRA's mission is to *protect the people of Singapore by keeping gambling honest and free of criminal influence, and minimising the harm from gambling*. This mission is in line with our conviction that GRA plays a key role in safeguarding our people from the ills of gambling.

Our vision to be a *trusted and agile gambling regulator for a Safe Singapore* underscores our ideals that will continue to guide and inspire us.

We have retained our existing organisational values of *integrity, care, professionalism and teamwork* as we have found deep-rooted resonance with these values, which together underpin the shared ethos that define each and every one of us in GRA.

ENHANCING REGULATORY CAPABILITIES

To achieve our mission and vision, we must stay ahead of emerging trends and developments. The global gambling landscape has become increasingly complex due to technological advances. In fact, the pace of such changes in the operating environment is quickening, particularly in the online sphere. It is imperative that GRA sharpens its regulatory acumen by enhancing our sense-making capabilities to monitor, assess and respond to potential risks and threats in a timely manner.

With more licensees and gambling products to regulate, GRA will entrench risk management in our work and build capabilities to adopt a calibrated regulatory stance that commensurate with the risk profile of each gambling product.

These new challenges will be a test of GRA's regulatory craft and agility. We will need to swiftly pick up new knowledge and proactively manage the regulatory risks and concerns.

BUILDING COLLABORATIONS THROUGH PARTNERSHIP

GRA will strengthen the deep partnerships that we have fostered with SPF, MSF and NCPG to regulate the new gambling space that we now oversee. Beyond local stakeholders, we will continue to work closely with our international partners to uphold high regulatory standards across the international gambling regulatory community.

CONCLUSION

Finally, I wish to express my appreciation to all officers who have worked tirelessly to establish GRA. GRA marks the beginning of an exciting journey for all of us. As we seek to shape the overall gambling regulatory regime, we must preserve the ethos that has been a key success factor for CRA. I encourage all officers to embark on our new chapter with the same spirit and fortitude and to adopt a developmental mindset. I have no doubt that our officers will continue to do their best to protect the people of Singapore and work towards realising GRA's vision and mission.



Mr Teo Chun Ching
Chief Executive

CHIEF EXECUTIVE'S MESSAGE

1 August 2022 marks GRA's establishment as Singapore's national gambling regulator. This expanded mandate to regulate the entire gambling landscape in Singapore represents a key milestone in our regulatory journey. Over the past year, we have made significant progress in our organisational transformation journey and in building a future-ready workforce to meet the challenges of regulating the wider gambling landscape.

SUPERVISION OVER CASINO LICENSEES

Earlier this year, CRA renewed the casino licences for Resorts World at Sentosa Pte. Ltd. ("RWS") and Marina Bay Sands Pte. Ltd. ("MBS") for another three years, after CRA assessed that they have met the suitability requirements set out in the Casino Control Act.

Even as CRA transits into GRA to regulate other forms of gambling, our robust supervisory oversight of the casinos will continue to ensure that the harms of casino gambling are kept at bay.

REGULATING THE WIDER GAMBLING INDUSTRY AS GRA

CRA's regulatory and supervisory approaches have worked well for the casinos. We will exercise the same strict oversight for high-risk gambling activities and services such as lotteries and betting, and gaming machine rooms (commonly known as fruit machine or jackpot rooms). Similar to the casinos, the entities that offer these gambling services must be licensed by GRA. Lower-risk gambling such as online games with gambling elements, mystery boxes and business promotion lucky draws will be regulated under a class licence regime where they will be allowed to operate if they meet the conditions set out in the law.

Over the years, CRA has built strong working relations with SPF, MSF and NCPG. GRA will continue to work closely with SPF which continues to be responsible for enforcement against illegal gambling activities, and will build on our partnership with MSF and NCPG to keep problem gambling rates low and minimise the harms of gambling to our society. GRA will also partner agencies such as the Infocomm Media Development Authority and the Monetary Authority of Singapore, to block websites that offer unlawful gambling services and financial transactions respectively.

DIGITAL AND PROCESS TRANSFORMATION

To effectively regulate multiple licensees and gambling products, GRA will leverage on technology to build smart systems and entrench risk management in our processes.

We have implemented the new Automated Licence and Permit System ("ALPS") in March 2022 that digitalises the entire licensing process from the licence application to licence approval and issuance. ALPS is part of GRA's digitalisation roadmap to leverage on technology such as automation and machine learning, to allow us to derive time and manpower savings so

that we can focus our attention on higher-value regulatory work. GRA will be implementing other regulatory systems in the next 12 months and building an enterprise system to allow GRA to have a 360-degree view of our regulated entities.

GRA will also deepen our use of data analytics to complement our supervisory efforts in detecting possible non-compliances and anomalies in the operations of our regulated entities. To encourage our officers to put their newly acquired knowledge in data analytics to good use, GRA will be developing a sandbox environment for officers to explore and test out proofs of concept in areas of work that could enhance our regulatory efficiency or effectiveness.

BUILDING A FUTURE READY WORKFORCE

To drive GRA's digital transformation, a key priority is to develop deep digital and technological expertise in our officers. GRA will implement learning interventions to equip all our officers with essential digital skills and technological information in the future workplace. These include Robotic Process Automation, blockchain, machine learning, artificial intelligence and data analytics.

GRA's officers are most vital to all that we hope to achieve. In our preparation to regulate the new entities and gambling products, GRA officers developed a Gambling Regulation 101 training programme to build domain knowledge. In January 2022, we conducted the inaugural round of Gambling Regulation 101 Programme for close to 150 officers, where officers who are subject matter experts trained their fellow colleagues and learnt from one another during the open discussions.

Our long-term aim is to inculcate and sustain a culture of learning and knowledge sharing within the organisation. The revamp of our intranet system has enabled us to institutionalise knowledge management, as we build enhanced functionalities for officers to access a repository of training materials and self-help resources on topics such as regulatory policies and legal considerations.

CONCLUSION

I am proud of how much we have achieved over this past year to lay the critical groundwork in establishing GRA, and am heartened by the resilience and commitment of our officers to forge ahead as one team to transform the organisation. I have every confidence that GRA officers will successfully chart out a new chapter, while staying true to our renewed purpose to protect the people of Singapore.

CRA BOARD MEMBERS



CHAIRMAN
MR TAN TEE HOW
Chairman
National Healthcare Group



MEMBER
MS KAREN CHONG
Senior Director
Ministry of National Development



MEMBER
(from 1 January 2022)
MR ESA MASOOD
Second Deputy Secretary
Ministry of Social and
Family Development



MEMBER
MR NG CHONG KHIM
Senior Advisor
(Corporate Services)
Ensign Infosecurity
(Cybersecurity) Pte. Ltd.



MEMBER
MS SHARON JOANNE OOI
Chief Executive Officer
Swiss Re Australia & New Zealand



MEMBER
MR CHUA KIM LENG
Board Director
United Overseas Insurance Ltd



MEMBER
MR HOW KWANG HWEE
Deputy Commissioner of Police
(Investigation and Intelligence)
Director, Criminal Investigation Department
Singapore Police Force



MEMBER
MR JAMES KANG
Chief Executive Officer
Amaris.ai Pte Ltd



MEMBER
MR PUAH KOK KEONG
Deputy Secretary (Policy)
Ministry of Home Affairs



MEMBER
MR SHAM SABNANI
Vice President &
Chief Legal Counsel, APAC
Kimberly-Clark Asia Pacific



MEMBER
MR SAM SIM
Senior Advisor,
Vienna University
Global Tax Policy Centre
Member, International
Association of Tax Judges



MEMBER
MR NICHOLAS AARON KHOO
Chief Financial Officer
WASD Pte Ltd



MEMBER
(up to 31 December 2021)
DR LEE TUNG JEAN
Deputy Secretary
Ministry of Social and
Family Development



MEMBER
MR LING TOK HONG
Partner
Mergers & Acquisitions Leader
PricewaterhouseCoopers Singapore



MEMBER
MR TAN CHIAN KHONG
Executive Director
Trailblazer Foundation Ltd



MEMBER
MS KRISTY TAN
Senior Director,
Advocacy Group
Deputy Chief Counsel,
Civil Division
Attorney-General's Chambers



MEMBER
MR BERNARD WEE
Assistant Managing Director
Group Head
(Markets & Investment)
Monetary Authority of Singapore

CRA BOARD COMMITTEES

The CRA Board is assisted by the following committees:



EXECUTIVE COMMITTEE

The Executive Committee assists the CRA Board in making decisions on certain operational matters. The Committee also serves as a sounding board for the CRA management on emerging issues and initiatives.



AUDIT AND RISK COMMITTEE

The Audit and Risk Committee reviews and appraises the reports of the external auditors and internal auditors on the adequacy of financial and operational controls. The Committee also recommends to the CRA Board the appointment and terms of engagement of the auditors and approves the auditors' annual plans. The Committee oversees the risk management framework, system and processes to ensure appropriate actions are in place to mitigate the key risks identified.



BUDGET REVIEW COMMITTEE

The Budget Review Committee reviews CRA's annual budget proposal and recommends it to the CRA Board for approval. To ensure budget robustness, the Committee also assesses the half year financial position of the Authority and reports to the CRA Board from time to time on matters requiring attention of the Board.



DISCIPLINARY COMMITTEE

The Disciplinary Committee determines disciplinary actions against casino operators, licensed special employees, licensed International Market Agents ("IMAs") and IMA representatives.



HUMAN RESOURCE AND REMUNERATION COMMITTEE

The Human Resource and Remuneration Committee assists the Board in supervising and reviewing the various Human Resource ("HR") policies and frameworks, to ensure a robust and effective HR system to attract and retain talents in CRA.



LEGAL AND REGULATORY COMMITTEE

The Legal and Regulatory Committee provides strategic guidance to the CRA Board on CRA's regulatory framework and assists the CRA Board by reviewing regulatory instruments.



TECHNOLOGY ADVISORY COMMITTEE

The Technology Advisory Committee advises the CRA Board in the efficient and effective adoption, usage and management of the Info-Communication Technology in CRA. The Committee also advises the CRA Board on technical standards, directives and guidelines imposed on the casino operators in the area of Info-Communication Technology deployment and implementation as well as the gaming systems.

GRA SENIOR MANAGEMENT

STANDING FROM LEFT TO RIGHT:

- ▶ **MR KHOO KAH BEE**
Director
(Corporate Services)
- ▶ **MR LEE KWONG YEE**
Director
(Gaming Technology)
- ▶ **MR LAWRENCE LEE**
Director
(Licensing & Monitoring)
- ▶ **MR HAROLD GAN**
Director
(Compliance)
- ▶ **MR DECULAN GOH**
Director
(Investigations & Prohibitions)
- ▶ **MR ONG BOON KHEE**
Director
(Research & Analysis)
- ▶ **MR ALBERT YEO**
General Counsel

SEATED FROM LEFT TO RIGHT:

- ▶ **MR BENNY WONG**
Director
(Operations Policy)
- ▶ **MS YEO PIA JEE**
Deputy Chief Executive (Operations) &
Covering Director (Supervision)
- ▶ **MR TEO CHUN CHING**
Chief Executive
- ▶ **MR EE KIAM KEONG**
Deputy Chief Executive (Policy & Development)
concurrent Director (Infocomm Technology)
- ▶ **MS GINGGI CHOY**
Director
(Policy, Planning & Communications)



CHARTING A NEW CHAPTER WITH RENEWED PURPOSE

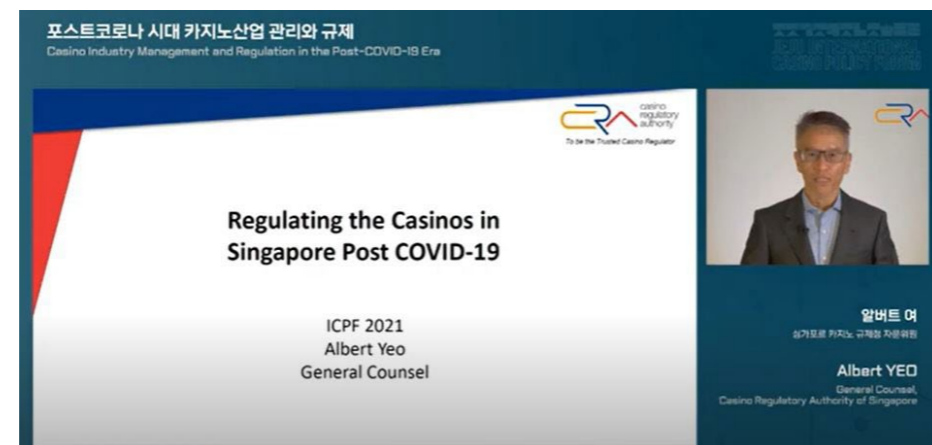
MILESTONES AND ACHIEVEMENTS

RENEWAL OF RWS AND MBS CASINO LICENCES

CRA renewed the casino licences of RWS and MBS on 4 February 2022 and 18 April 2022 respectively, after assessing that both casino operators had fulfilled the requirements set out in Section 45 of the Casino Control Act 2006. The licences were renewed for another three years with effect from 6 February 2022 for RWS and 26 April 2022 for MBS.

CRA SPEAKS AT THE JEJU INTERNATIONAL CASINO POLICY FORUM

CRA was invited to speak at the Jeju International Casino Policy Forum which was held in a hybrid format in November 2021. CRA's General Counsel, Mr Albert Yeo, presented on the impact of COVID-19 on the two local casinos, as well as global trends observed in the gambling industry due to the pandemic. In particular, he highlighted the importance for regulators such as CRA to maintain regulatory agility by ensuring that our policies and regulations remain relevant and up-to-date to deal with unexpected events such as COVID-19.



General Counsel Mr Albert Yeo delivering an online presentation at the Jeju International Casino Policy Forum

BUILDING A GRA-READY WORKFORCE

To prepare for the additional roles and responsibilities as CRA transits to become GRA, an internal committee of four officers was appointed to develop the training curriculum for the regulation of gambling. We conducted the Gambling Regulation 101 Programme through a mix of virtual lectures and in-person sessions to optimise officers' learning experiences. New officers who joined CRA also had the opportunity to learn more about the organisation through an induction programme and interact with senior management.

Building on the launch of CRA's customised Learning Paths last year to encourage officers to invest time in picking up new knowledge and future-ready skillsets, we launched the CRA Learning Space in January 2022, which sets aside a dedicated monthly timeslot for officers to self-learn or explore themed-based topics together.



Officers learning about gambling legislation for the various gambling products from a CRA trainer



Engagement between CRA's leadership group and new officers

ENCOURAGING A CULTURE OF INNOVATION AND TECHNOLOGY

Million Hours Challenge

CRA participated in the Public Service's Million Hours Challenge, an initiative to spur public officers to review and improve processes to collectively save time for our citizens, businesses, and fellow officers.

In 2021, CRA saved more than 280 man-hours by streamlining existing work processes and continued to develop new systems to derive man-hour savings. CRA will continue to cultivate a culture that fosters innovation and openness to exploring the use of technology to improve existing processes.

Innovation Month

As part of the Ministry of Home Affairs ("MHA")-wide Innovation Month in October 2021, CRA invited a guest speaker from the Government Technology Agency to share on design thinking for digital solutions. Innovation activities and workshops were also organised to spur officers' creativity and promote an innovative culture.

InvenThink Programme

Since the launch of CRA's InvenThink Programme in August 2019 to empower and engage officers to co-create innovative ideas, CRA officers have contributed more than 70 ideas to improve their work environment or processes.



Officers also developed and implemented various digital innovation and process review initiatives, such as the revised forfeiture framework and the self-service Qlik sense application, which garnered the CRA CReAte Awards 2021 that are given to recognise officers' efforts in innovation, improvements and for possessing a dare-to-change mindset.

At the Home Team Innovation Award ("InnovA") 2021, CRA received a Silver Award for streamlining the approach for the forfeiture of casino winnings, which is expected to result in speedier case resolution with savings of 182 man-hours a year. CRA also received an InnovA Commendation Award for applying data analytics for enhanced monitoring as part of our licensing work.

CHARTING A NEW CHAPTER AS ONE

Celebrating GRA Day

1 August 2022 was a memorable day for GRA as it marks GRA's establishment. Coming together as one GRA, officers affirmed their commitment to GRA's mission and vision, and received a commemorative medallion inscribed with GRA's mission, vision and values.



Officers gathering as one GRA

GRA Inauguration Ceremony & Workplan Seminar

GRA's Inauguration Ceremony and Workplan Seminar ("WPS") was held on 16 August 2022 with the theme "New Chapter, Renewed Purpose".

The event was graced by Minister for Communications and Information and Second Minister for Home Affairs, Mrs Josephine Teo, who delivered a keynote address and officially launched the GRA logo.

An exhibition was also held during the Inauguration Ceremony to showcase GRA's milestones, regulatory regimes and transformation efforts.



Guest-of-Honour Mrs Josephine Teo delivering her keynote address



Guest-of-Honour Mrs Josephine Teo, GRA Chairman Mr Tan Tee How and GRA Chief Executive ("CE") Mr Teo Chun Ching launching the new GRA corporate logo



Guest-of-Honour Mrs Josephine Teo together with GRA board members and invited guests

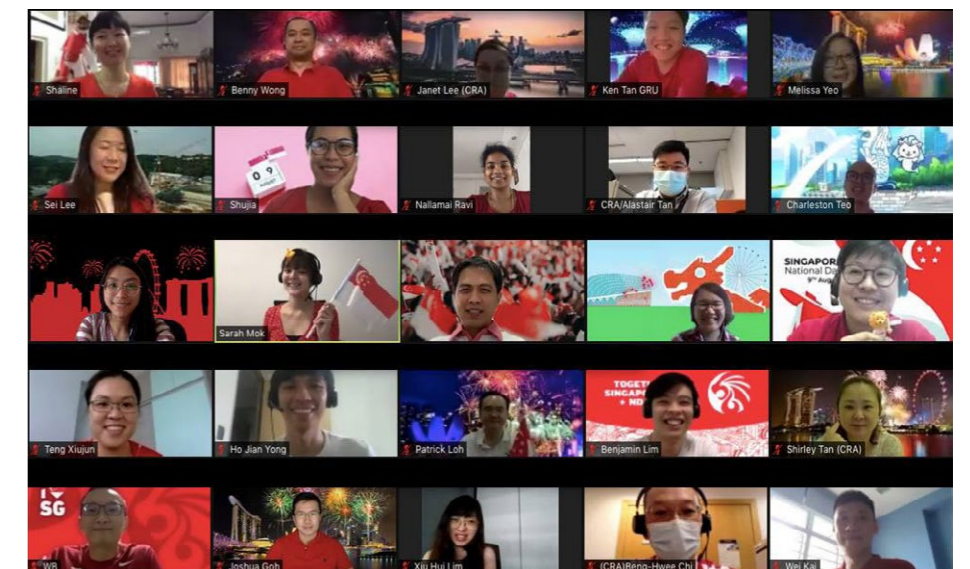
PEOPLE AT THE HEART OF CRA

RECONNECTING AND FOSTERING COHESION

In 2021, CRA continued to interact with one another and stayed engaged through virtual events such as lunchtime talks, townhall sessions and celebrating National Day together, amidst the COVID-19 disruptions.

In 2022, with the easing of most of the COVID-19 measures, CRA made reconnection with staff a key organisational priority and resumed several in-person activities while abiding by prevailing workplace safe management measures.

Officers found ways to engage and reconnect with one another through team-building events organised by the staff cohesion committee and Special Interest Group activities such as running, which fosters teamwork and cohesion across divisions.



Officers celebrating National Day 2021 together virtually



Officers reconnecting during the Special Interest Group hour by going for a run (or a walk for some!)



CRA CE Mr Teo Chun Ching addressing officers at the first in-person townhall session after two years of virtual and hybrid sessions

CRA played a part in spreading the festive cheer during the season of gifting as part of SG Cares Giving Week 2021. CRA staff donated items and delivered them to SG Cares volunteer centres at Geylang and Sathya Sai Social Service.

In appreciation of our contributions, CRA received a Bronze Certificate from the SG Cares Giving Week Organising Committee.



Officers volunteering their time to serve the community



RECOGNITION AND APPRECIATION

NATIONAL DAY AWARD

Ms Yeo Pia Jee, Deputy Chief Executive (Operations), received the Public Administration Medal (Silver) in recognition of her outstanding contributions to CRA. Ms Yeo has been at the forefront of leading and implementing the casino regulatory regime and played a critical role in the development of CRA's regulatory frameworks and policies, the Casino Control Act and subsidiary legislations.

Ms Elaine Chua, Head (Licensing), received the Commendation Medal. Ms Chua contributed significantly towards her division's review of licensing policies and processes, to enhance CRA's operational efficiency and effectiveness.

Mr Jimmy Lim, Manager (Investigations) received the Efficiency Medal. With his deep investigations expertise, Mr Lim set up the Regulatory Investigations Branch's knowledge management, which played a pivotal role in facilitating its day-to-day work and enhanced the branch's training capabilities. Mr Lim also played a pioneering role in the setup of processes for data extractions and reconciliation of data for the reporting of case statistics.

In recognition of their contributions to the Public Service of at least 25 years of service and for their irreproachable character, Mr Harold Gan, Director (Inspection & Compliance) and Mr Steven Moorthi, Senior Assistant Director (Investigations) received the Long Service Medal.



Head (Licensing) Ms Elaine Chua receiving the Commendation Medal from CRA CE Mr Teo Chun Ching

MINISTER FOR HOME AFFAIRS NATIONAL DAY AWARD (“MNDA”)

Ms Wong Lai Yin, Senior Manager (Research), received the MNDA (Individual). Ms Wong, who first joined the Licensing Division, contributed significantly in the conduct of operational policy reviews and establishing work processes relating to the licensing and monitoring of licenses. She also introduced many statistical reports to aid analysis, and has contributed on numerous research and reports on matters of regulatory interest to CRA.



Senior Manager (Research) Ms Wong Lai Yin receiving the MNDA (Individual) award from CRA CE Mr Teo Chun Ching

MHA STAR SERVICE AWARD

Mr Tok Teck Kwan, Senior Assistant Director (Research) received the MHA Commendation Star Service Award 2021 in recognition of his outstanding contributions and service excellence in 2020. Mr Tok demonstrates care and empathy to his fellow colleagues. He is a strong team player and is always ready to extend a helping hand for various initiatives in CRA and at the larger public service level.

COMMUNITY CHEST SHARE PLATINUM AWARD

CRA was awarded the Community Chest SHARE Platinum Award 2020. This award recognises fund-raising efforts by organisations and is awarded to organisations with high participation rate in making regular donations to the Community Chest in FY2020.

NS MARK (GOLD) AND NATIONAL SERVICE ADVOCATE AWARD

CRA attained the NS Mark (Gold) accreditation and was awarded the Total Defence Award – National Service Advocate Award in 2021. The NS Mark accreditation recognises organisations that have implemented policies and human resource practices that support National Service and Total Defence, and the National Service Advocate Award acknowledges exemplary organisations for their outstanding support towards strengthening the defence of our nation.

PUBLIC SERVICE LONG SERVICE AWARD

A total of 33 officers received the 2022 Long Service Award. The Long Service Award recognises and appreciates officers' contributions to the Public Service.

CRA STAR EMPLOYEE AWARD

Mr Alfred Tay, Head (Inspection & Compliance) and Ms Edith Tan, Senior Manager (Total Rewards) received the 2022 CRA Star Employee Award (Individual). This award is given to officers who have exemplified CRA's values and championed desirable behaviours, building a productive work environment in CRA.

The Gambling Regulation 101 Committee comprising Mr Chen Kian Siong, Senior Assistant Director (Gaming Technology Operations), Ms Er Peiyun, Senior Assistant Director (Operations Policy), Ms Lee Kah Mun, Senior Assistant Director (Inspection & Compliance), and Mr Moses Tan, Senior Legal Counsel also received the 2022 CRA Star Employee Award (Team) for the committee's leadership and dedication towards the successful implementation of the in-house training programme.



Head (Inspection & Compliance) Mr Alfred Tay receiving the CRA Star Employee Award (Individual) from Director (Inspection & Compliance) Mr Harold Gan

ENFORCEMENT ACTIONS

CASINO OPERATOR	RELEVANT LEGISLATION	BREACH	ACTION TAKEN BY CRA
Resorts World at Sentosa Pte. Ltd.	Regulation 13(2) of the Casino Control (Prevention of Money Laundering and Terrorism Financing) Regulations 2009	Failure to perform customer due diligence measures	Financial penalty of \$50,000
Resorts World at Sentosa Pte. Ltd.	Regulation 13(2) of the Casino Control (Prevention of Money Laundering and Terrorism Financing) Regulations 2009	Failure to perform customer due diligence measures	Financial penalty of \$150,000
Resorts World at Sentosa Pte. Ltd.	Regulation 8(5) of the Casino Control (Internal Controls) Regulations 2013	Failure to implement a system of internal controls approved by the Authority	Financial penalty of \$75,000

CASINO REGULATORY AUTHORITY OF SINGAPORE

ANNUAL FINANCIAL STATEMENTS 31 MARCH 2022

CASINO REGULATORY AUTHORITY OF SINGAPORE
ANNUAL FINANCIAL STATEMENTS 31 MARCH 2022

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CASINO REGULATORY AUTHORITY OF SINGAPORE
STATEMENT BY CASINO REGULATORY AUTHORITY OF SINGAPORE

In our opinion,

- (a) the accompanying financial statements set out on pages 32 to 60 of the Casino Regulatory Authority of Singapore (the "Authority") are drawn up so as to present fairly, in all material respects, the state of affairs of the Authority as at 31 March 2022, and the results, changes in equity and cash flows of the Authority for the year then ended in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 (the "Act"), the Casino Control Act (Cap. 33A) (the "Casino Control Act") and Statutory Board Financial Reporting Standards ("SB-FRS");
- (b) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Authority during the year are, in all material respects, in accordance with the provisions of the Act, the Casino Control Act and the requirements of any other written law applicable to moneys of or managed by the Authority; and
- (c) proper accounting and other records have been kept, including records of all assets of the Authority whether purchased, donated or otherwise.

On behalf of the Authority,



Tan Tee How
Chairman



Teo Chun Ching
Chief Executive

Singapore
5 July 2022

CASINO REGULATORY AUTHORITY OF SINGAPORE

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASINO REGULATORY AUTHORITY OF SINGAPORE**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of Casino Regulatory Authority of Singapore (the "Authority") set out on pages 32 to 60 which comprise the balance sheet as at 31 March 2022, and the statement of comprehensive income, statement of changes in equity and cash flow statement of the Authority for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 (the "Act"), the Casino Control Act (Cap. 33A) (the "Casino Control Act") and Statutory Board Financial Reporting Standards ("SBFRS") so as to present fairly, in all material respects, the state of affairs of the Authority as at 31 March 2022 and the results, changes in equity and cash flows of the Authority for the financial year then ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the Annual Report and Statement by the Authority, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

CASINO REGULATORY AUTHORITY OF SINGAPORE

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASINO REGULATORY AUTHORITY OF SINGAPORE**

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Casino Control Act and SB-FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its Act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Authority or for the Authority to cease operations.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

CASINO REGULATORY AUTHORITY OF SINGAPORE

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASINO REGULATORY AUTHORITY OF SINGAPORE****AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion:

- the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Authority during the year are, in all material respects, in accordance with the provisions of the Act, the Casino Control Act and the requirements of any other written law applicable to moneys of or managed by the Authority; and
- proper accounting and other records have been kept, including records of all assets of the Authority whether purchased, donated or otherwise.

BASIS FOR OPINION

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Compliance Audit section of our report. We are independent of the Authority in accordance with the AGRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our ethical responsibilities in accordance with these requirements and the AGRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

**RESPONSIBILITIES OF MANAGEMENT FOR COMPLIANCE WITH LEGAL AND
REGULATORY REQUIREMENTS**

The Authority's management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act, the Casino Control Act and the requirement of any other written law applicable to moneys of or managed by the Authority. This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the requirements.

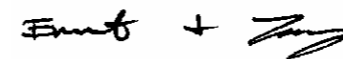
AUDITOR'S RESPONSIBILITIES FOR THE COMPLIANCE AUDIT

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We conducted our audit in accordance with Singapore Standards on Auditing. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act, the Casino Control Act and the requirement of any other written law applicable to moneys of or managed by the Authority.

CASINO REGULATORY AUTHORITY OF SINGAPORE

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASINO REGULATORY AUTHORITY OF SINGAPORE****AUDITOR'S RESPONSIBILITIES FOR THE COMPLIANCE AUDIT (CONT'D)**

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Because of the inherent limitations in any accounting and internal control system, non-compliances may nevertheless occur and not be detected.



Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

5 July 2022

CASINO REGULATORY AUTHORITY OF SINGAPORE

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2021/2022 \$	2020/2021 \$
Equity			
Capital account	4	36,001,000	36,001,000
Accumulated surplus		40,757,207	41,429,312
Total equity		76,758,207	77,430,312
Represented by:			
Non-current assets			
Plant and equipment	5	11,147,613	6,222,900
Intangible assets	6	1,896,621	2,586,631
Right-of-use assets	14	1,902,977	4,440,278
		14,947,211	13,249,809
Current assets			
Trade and other receivables	7	235,076	321,489
Prepaid operating expenses		818,371	647,223
Deposits		732,424	732,303
Cash and cash equivalents	8	146,247,920	123,275,160
		148,033,791	124,976,175
Total assets		162,981,002	138,225,984
Current liabilities			
Trade and other payables	9	10,038,033	5,005,823
Fees received in advance	10	25,906,230	44,635,779
Prepayments received	11	670,842	458,839
Provisions	12	1,935,934	1,904,904
Amounts due to parent ministry and other government agencies	13	28,018	268,587
Lease liabilities	14	2,088,228	2,637,526
Provision for contribution to consolidated fund	20	–	946,254
		40,667,285	55,857,712
Net current assets		107,366,506	69,118,463
Non-current liabilities			
Fees received in advance	10	44,449,315	1,643,835
Provisions	12	1,106,195	1,205,897
Lease liabilities	14	–	2,088,228
		45,555,510	4,937,960
Total liabilities		86,222,795	60,795,672
Net assets		76,758,207	77,430,312

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CASINO REGULATORY AUTHORITY OF SINGAPORE

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2021/2022 \$	2020/2021 \$
Income			
License fees	15	48,000,000	48,000,000
Application fees	15	1,103,490	760,670
Fines	15	352,700	10,000
		49,456,190	48,770,670
Expenditure			
Expenditure on manpower	16	(26,084,514)	(23,501,264)
Staff welfare and development		(677,295)	(603,648)
Rental of premises and others		(26,824)	(35,463)
Maintenance		(3,295,675)	(2,354,572)
Depreciation of plant and equipment	5	(1,976,478)	(2,022,781)
Depreciation of right-of-use assets	14	(2,537,301)	(2,537,301)
Amortisation of intangible assets	6	(980,810)	(887,805)
Utilities		(215,905)	(177,790)
Communications		(460,633)	(466,124)
Management and professional services	17	(12,531,258)	(10,601,288)
Interest on lease liabilities	14	(151,224)	(229,956)
Other operating expenses	18	(1,539,425)	(1,267,669)
		(50,477,342)	(44,685,661)
Operating (deficit)/surplus		(1,021,152)	4,085,009
Non-operating income	19	349,047	1,481,188
(Deficit)/surplus before statutory contribution to consolidated fund		(672,105)	5,566,197
Statutory contribution to consolidated fund	20	–	(946,254)
(Deficit)/surplus for the year, representing total comprehensive income for the financial year		(672,105)	4,619,943

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CASINO REGULATORY AUTHORITY OF SINGAPORE
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Capital account \$	Accumulated surplus \$	Total \$
Balance as at 1 April 2020	36,001,000	37,310,369	73,311,369
Surplus for the year, representing total comprehensive income for the year	—	4,619,943	4,619,943
Contributions by and distributions to owner:			
Dividend declared (Note 24)	—	(501,000)	(501,000)
Balance as at 31 March 2021 and 1 April 2021	36,001,000	41,429,312	77,430,312
Deficit for the year, representing total comprehensive income for the year	—	(672,105)	(672,105)
Balance as at 31 March 2022	36,001,000	40,757,207	76,758,207

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CASINO REGULATORY AUTHORITY OF SINGAPORE
CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2021/2022 \$	2020/2021 \$
Cash flows from operating activities			
(Deficit)/surplus before statutory contribution to consolidated fund		(672,105)	5,566,197
Adjustments for:			
Depreciation of plant and equipment	5	1,976,478	2,022,781
Amortisation of intangible assets	6	980,810	887,805
Depreciation of right-of-use assets	14	2,537,301	2,537,301
Provision for unutilised leave, net		15,674	677,521
Provision for retention bonus	12	263,654	471,801
Interest income from short term deposits	19	(348,932)	(1,403,146)
Interest on lease liabilities	14	151,224	229,956
Surplus before working capital changes		4,904,104	10,990,216
Operating cash flows before working capital changes:			
Increase in trade and other receivables		(11,381)	(42)
Increase in prepaid operating expenses		(171,148)	(233,603)
(Increase)/decrease in deposits		(121)	5,330
(Decrease)/increase in trade and other payables		(215,706)	995,840
Increase/(decrease) in prepayments received		212,003	(43,975)
(Decrease)/increase in amount due to parent ministry, net		(240,569)	151,831
Increase/(decrease) in fees received in advance		24,075,931	(48,015,710)
Payment of retention bonus	12	(348,000)	(352,000)
Cash flows generated from/(used in) operations		28,205,113	(36,502,113)
Contribution to consolidated fund	20	(946,254)	(1,576,432)
Interest received		446,726	3,276,341
Net cash flows generated from/(used in) operations		27,705,585	(34,802,204)
Cash flows from investing activities:			
Purchase of plant and equipment		(1,899,974)	(1,858,803)
Purchase of intangible assets		(44,100)	(886,757)
Net cash flows used in investing activities		(1,944,074)	(2,745,560)
Cash flows from financing activities:			
Dividend paid	24	—	(501,000)
Payment of lease liabilities	14	(2,788,750)	(2,690,332)
Net cash flows used in financing activities		(2,788,750)	(3,191,332)
Net increase/(decrease) in cash and cash equivalents		22,972,760	(40,739,096)
Cash and cash equivalents at beginning of the year		123,275,160	164,014,256
Cash and cash equivalents at end of the year	8	146,247,920	123,275,160

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

1. GENERAL

The Casino Regulatory Authority of Singapore (the "Authority") was established under the Casino Control Act (Cap. 33A) (the "Casino Control Act") on 2 April 2008 as a statutory board.

The Authority has its registered office and principal place of operation at 460 Alexandra Road, mTower, #12-01 Singapore 119963.

The objects of the Authority are to maintain and administer systems for the licensing, supervision and control of casinos, for the purpose of:

- (a) ensuring that the management and operation of a casino is and remains free from criminal influence or exploitation;
- (b) ensuring that gaming in a casino is conducted honestly; and
- (c) containing and controlling the potential of a casino causing harm to minors, vulnerable persons and the society at large.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of the Authority for the financial year ended 31 March 2022 have been drawn up in accordance with the provisions of the Act and the Statutory Board Financial Reporting Standards ("SB-FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or \$).

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Authority has adopted all the new and amended standards which are relevant to the Authority and are effective for annual financial periods beginning on or after 1 April 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Authority.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 CHANGES IN ACCOUNTING POLICIES (CONT'D)

Standards issued but not yet effective

The Authority has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SB-FRS 16 <i>Property, Plant and Equipment</i> : Proceeds before Intended Use	1 January 2022
Amendments to SB-FRS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> : Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to SB-FRSs 2018-2020	1 January 2022
Amendments to SB-FRS 1 <i>Presentation of Financial Statements</i> : Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to SB-FRS 1 <i>Presentation of Financial Statements</i> and FRS Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to SB-FRS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> : Definition of Accounting Estimates	1 January 2023
Amendments to SB-FRS 12 <i>Income Taxes</i> : Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The Authority expects that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

2.3 FUNCTIONAL AND FOREIGN CURRENCY

Transactions and balances

Transactions in foreign currencies are measured in SGD, the functional currency of the Authority and are recorded on initial recognition in SGD at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the statement of comprehensive income.

CASINO REGULATORY AUTHORITY OF SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****2.4 PLANT AND EQUIPMENT**

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost includes the cost of replacing part of the plant and equipment, and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying plant and equipment. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably.

Plant and equipment costing less than \$5,000 each, are charged to the statement of comprehensive income in the year of purchase as "plant and equipment expensed off" as disclosed in Note 18.

Assets classified as construction-in-progress included in plant and equipment are not amortised as these assets are not yet available for use.

Depreciation of an asset begins when it is available for use and is computed on a straight line basis over the estimated useful life of the assets as follows:

Plant and machinery	- 10 years
Renovation	- Over the remaining lease term
Computer and Communication Systems	- 5 years
Furniture, fittings, tools & equipment	- 3 to 8 years
Heritage assets (refers to artwork)	- No depreciation

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of comprehensive income in the year the asset is derecognised.

Fully depreciated assets still in use are retained in the financial statements.

2.5 INTANGIBLE ASSETS

Intangible assets acquired, which comprise computer software development costs, are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation of intangibles is calculated on the straight-line method to write-off the costs over their estimated useful lives of 3 to 5 years. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life is accounted for by changing the amortisation period or method, as appropriate and are treated as changes in accounting estimates.

CASINO REGULATORY AUTHORITY OF SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****2.5 INTANGIBLE ASSETS (CONT'D)**

The amortisation expense on intangible assets is recognised in the statement of comprehensive income through the 'amortisation of intangible assets' line item.

The carrying value of intangibles is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

2.6 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Authority assesses at each reporting date whether there is an indication that an asset may be impaired.

If any indication exists, or when annual impairment testing for an asset is required, the Authority makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognised in the statement of comprehensive income, consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses recognised for an asset may no longer exist or may have decreased. If such indication exists, the Authority estimates the asset's or cash generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal of an impairment loss is recognised in the statement of comprehensive income.

2.7 FINANCIAL ASSETS*Initial recognition and measurement*

Financial assets are recognised when, and only when, the Authority becomes a party to the contractual provisions of the financial instrument. The Authority determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 FINANCIAL ASSETS (CONT'D)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Debt instruments at amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gain and losses are recognised in statement of profit or loss and other comprehensive income when the assets are derecognised or impaired, and through amortisation process.

The Authority classifies the following financial assets as financial assets at amortised cost:

- (a) Cash and cash equivalents
- (b) Trade and other receivables
- (c) Deposits
- (d) Amount due from parent ministry

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in "other comprehensive income" is recognised in the statement of comprehensive income.

Regular way purchase and sale of financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Authority commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

2.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash held with banks and with Accountant-General's Department ("AGD"), that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 TRADE AND OTHER RECEIVABLES

Trade and other receivables are classified and accounted for as financial assets at amortised cost under SB-FRS 109.

An allowance is made for uncollectible amounts when there is objective evidence that the Authority will not be able to collect the debt. Bad debts are written off when identified. Further details on the accounting policy for impairment of financial assets are stated in Note 2.10 below.

2.10 IMPAIRMENT OF FINANCIAL ASSETS

The Authority recognises an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Authority expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Authority applies a simplified approach in calculating ECLs. Therefore, the Authority does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Authority considers factors such as historical credit loss experience and forward-looking factors specific to the debtors.

All impairment losses are recognised in the statement of comprehensive income.

Impairment losses in respect of financial assets measured at amortised cost is reversed if the subsequent increase in fair value can be related objectively to an event occurring after the impairment loss was recognised. Any subsequent reversal of an impairment loss is recognised in statement of profit or loss and comprehensive income, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

2.11 FINANCIAL LIABILITIES

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Authority becomes a party to the contractual provisions of the financial instrument. The Authority determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 FINANCIAL LIABILITIES (CONT'D)

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

2.12 PROVISIONS

Provisions are recognised when the Authority has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.13 EMPLOYEE BENEFITS

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefits plans under which the Authority pays fixed contributions into separate entities such as the Central Provident Fund Board on a mandatory, contractual or voluntary basis. The Authority has no further payment obligations once the contributions have been paid. The Authority's contributions are recognised in the statement of comprehensive income when they are due.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 EMPLOYEE BENEFITS (CONT'D)

(c) *Retention bonus*

The retention bonus due to employees is presented as "current" and "non-current" portions of liabilities based on the expected payout to be made by the Authority in respect of services rendered by these employees up to the end of the reporting period.

2.14 LEASES

The Authority assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Authority as a lessee

The Authority applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Authority recognises lease liabilities representing the obligation to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

(i) *Right-of-use assets*

The Authority recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Office premises	4 years
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The right-of-use assets are also subject to impairment. The accounting policies for impairment is disclosed in Note 2.6 *Impairment of non-financial assets*.

At the commencement date of the lease, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include penalties for terminating the lease, if the lease term reflects the Authority exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 LEASES (CONT'D)

Authority as a lessee (cont'd)

(ii) *Lease liabilities (cont'd)*

In calculating the present value of lease payments, the Authority uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Authority's lease liabilities are included in Note 14 Leases.

2.15 INCOME RECOGNITION

Income is recognised when the Authority satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

Income is recognised as follows:

(a) *Casino licence fees*

Licence fee is recognised as income over the time on an accrual basis.

(b) *Application fees*

Application fees are recognised upon the receipt of the application form and application fees. Application fees collected but pending application forms are recognised as fees received in advance in the respective accounting period.

(c) *Fines*

Fine payable to the Authority for violation of the Casino Control Act (Cap. 33A) is recognised as income upon receipt of the fine payment.

(d) *Interest income*

Interest income is recognised on a time proportionate basis using the effective interest method.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax except:

- (a) Where the goods and services tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the goods and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (b) Receivables and payables that are stated with the amount of goods and services tax included.

The net amount of goods and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.17 RELATED PARTIES

The Authority is established as a statutory board and is an entity related to the Government of Singapore. The Authority's related parties refer to Government-related entities including Ministries, Organs of State and other Statutory Boards. The Authority applies the exemption in Paragraph 25 of SB-FRS 24 Related Party Disclosures such that required disclosures are limited to the following information to enable users of the Authority's financial statements to understand the effect of related party transactions on the financial statements:

- (i) the nature and amount of each individually significant transaction with Ministries, Organs of State and other Statutory Boards; and
- (ii) for other transactions with Ministries, Organs of State and other Statutory Boards that are collectively but not individually significant, a qualitative or quantitative indication of their extent.

2.18 CAPITAL

Proceeds from issuance of shares are recognised as capital in equity.

CASINO REGULATORY AUTHORITY OF SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of the Authority's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

4. CAPITAL ACCOUNT

	2021/2022		2020/2021	
	Number of shares	\$	Number of shares	\$
Issued and paid up:				
At 1 April and 31 March	36,001,000	36,001,000	36,001,000	36,001,000

The capital account represents capital injections by the Minister for Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act (Cap. 183), in its capacity as a shareholder under the debt equity framework for statutory boards, implemented with effect from 1 September 2004. Under this framework, capital projects will be partially funded by the Minister for Finance as equity injection, and the remaining through loans or general funds of the Authority.

CASINO REGULATORY AUTHORITY OF SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**5. PLANT AND EQUIPMENT**

	Plant and machinery \$	Renovation \$	Computer and Communication Systems \$	Furniture, fittings, tools and equipment \$	Heritage assets \$	Construction- in-progress \$	Total \$
Cost:							
At 1 April 2020	308,437	2,835,162	13,891,440	855,482	130,964	215,211	18,236,696
Additions	–	–	493,851	–	–	1,364,952	1,858,803
Transfer to intangible assets (Note 6)	–	–	–	–	–	(215,211)	(215,211)
Disposals	–	–	–	(7,627)	–	–	(7,627)
At 31 March 2021 and 1 April 2021	308,437	2,835,162	14,385,291	847,855	130,964	1,364,952	19,872,661
Additions	–	–	3,408,152	11,814	–	3,535,225	6,955,191
Reclassification	–	–	1,180,312	–	–	(1,180,312)	–
Transfer to intangible assets (Note 6)	–	–	–	–	–	(54,000)	(54,000)
At 31 March 2022	308,437	2,835,162	18,973,755	859,669	130,964	3,665,865	26,773,852
Accumulated depreciation:							
At 1 April 2020	247,571	2,835,162	7,715,800	836,074	–	–	11,634,607
Depreciation for the year	10,818	–	2,006,219	5,744	–	–	2,022,781
Disposals	–	–	–	(7,627)	–	–	(7,627)
At 31 March 2021 and 1 April 2021	258,389	2,835,162	9,722,019	834,191	–	–	13,649,761
Depreciation for the year	9,367	–	1,961,853	5,258	–	–	1,976,478
At 31 March 2022	267,756	2,835,162	11,683,872	839,449	–	–	15,626,239
Carrying amount:							
At 31 March 2022	40,681	–	7,289,883	20,220	130,964	3,665,865	11,147,613
At 31 March 2021	50,048	–	4,663,272	13,664	130,964	1,364,952	6,222,900

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

6. INTANGIBLE ASSETS

	Computer software \$
Cost:	
At 1 April 2020	6,347,440
Additions	886,757
Disposals	(5,103)
Transfer from plant and equipment (Note 5)	215,211
	<hr/>
At 31 March 2021 and 1 April 2021	7,444,305
Additions	236,800
Transfer from plant and equipment (Note 5)	54,000
	<hr/>
At 31 March 2022	7,735,105
	<hr/>
Accumulated amortisation:	
At 1 April 2020	3,974,972
Amortisation for the year	887,805
Disposals	(5,103)
	<hr/>
At 31 March 2021 and 1 April 2021	4,857,674
Amortisation for the year	980,810
	<hr/>
At 31 March 2022	5,838,484
	<hr/>
Carrying amount:	
At 31 March 2022	1,896,621
	<hr/>
At 31 March 2021	2,586,631
	<hr/>

7. TRADE AND OTHER RECEIVABLES

	2021/2022 \$	2020/2021 \$
Interest receivable	223,695	321,489
Other receivables	11,381	–
	<hr/>	<hr/>
	235,076	321,489
	<hr/>	<hr/>

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

8. CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, the cash and cash equivalents comprise the following:

	2021/2022 \$	2020/2021 \$
Cash maintained with Accountant-General's Department ("AGD")	146,247,920	123,275,160
	<hr/>	<hr/>

Included in the cash and cash equivalents are:

- (i) an amount of \$6,320,178 (2020/2021: \$4,143,279) which does not earn any interest.
- (ii) the remaining balance of \$139,927,742 (2020/2021: \$119,131,881) is managed under the Centralised Liquidity Management ("CLM") scheme as set out in the Accountant-General's Circular's No. 4/2009. These are short term deposits earning interest, ranging from 0.29% to 0.41 % (2020/2021: 0.28% to 1.52%) per annum.

9. TRADE AND OTHER PAYABLES

	2021/2022 \$	2020/2021 \$
Trade payables	1,677,373	1,330,459
Other payables	31,073	41,062
Accrued operating expenses	3,081,670	2,540,779
Accrued capital expenditure	5,247,917	1,093,523
	<hr/>	<hr/>
	10,038,033	5,005,823
	<hr/>	<hr/>

Trade payables and other payables are non-interest bearing. Trade payables are normally settled on a 30-days term (2020/2021: 30 days). Other payables mainly relate to money seized for purposes of investigation.

Accrued operating expense mainly relates to liabilities for operating expenses but which were invoiced subsequent to year end.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

10. FEES RECEIVED IN ADVANCE

	Current \$	Non-current \$	Total \$
2021/2022			
Application fees	262,394	—	262,394
Casino license fees	25,643,836	44,449,315	70,093,151
	<u>25,906,230</u>	<u>44,449,315</u>	<u>70,355,545</u>
2020/2021			
Application fees	186,464	—	186,464
Casino license fees	44,449,315	1,643,835	46,093,150
	<u>44,635,779</u>	<u>1,643,835</u>	<u>46,279,614</u>

The fees received in advance (contract liabilities) primarily relate to the Authority's obligation to transfer services to customers for which the Authority has received advances from customers for casino license fees and application fees.

Revenue recognised that was included in fees received in advance balance as at the beginning of the year by the Authority is \$44,685,779 (2020/2021: \$48,015,710).

11. PREPAYMENTS RECEIVED

The prepayment received mainly comprises probity investigation charges paid in advance by the applicants.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

12. PROVISIONS

	Current \$	Non-current \$	Total \$
2021/2022			
Financial liabilities:			
Provision for retention bonus	342,413	536,420	878,833
Provision for unutilised leave	1,593,521	—	1,593,521
Non-financial liabilities:			
Provision for reinstatement cost	—	569,775	569,775
Total	<u>1,935,934</u>	<u>1,106,195</u>	<u>3,042,129</u>
2020/2021			
Financial liabilities:			
Provision for retention bonus	327,057	636,122	963,179
Provision for unutilised leave	1,577,847	—	1,577,847
Non-financial liabilities:			
Provision for reinstatement cost	—	569,775	569,775
Total	<u>1,904,904</u>	<u>1,205,897</u>	<u>3,110,801</u>

Movement of the provision for retention bonus account is as follows:

	2021/2022 \$	2020/2021 \$
At 1 April	963,179	843,378
Provision for the financial year	263,654	471,801
Payment made during the financial year	(348,000)	(352,000)
At 31 March	<u>878,833</u>	<u>963,179</u>

The retention bonus due to employees is determined based on the expected pay-out to be made by the Authority in respect of services rendered by these employees up to the end of the reporting period.

Movement of the provision for unutilised leave is as follows:

	2021/2022 \$	2020/2021 \$
At 1 April	1,577,847	900,326
Provision for the financial year	65,882	726,592
Provision utilised	(50,208)	(49,071)
	<u>1,593,521</u>	<u>1,577,847</u>

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

12. PROVISIONS (CONT'D)

Movement of the provision for reinstatement cost account is as follows:

	2021/2022 \$	2020/2021 \$
At 1 April 2022 and 31 March 2021	569,775	569,775

13. AMOUNTS DUE TO PARENT MINISTRY AND OTHER GOVERNMENT AGENCIES

Amounts due to Ministry of Home Affairs (the "parent ministry") and other government agencies are unsecured, non-interest bearing and are repayable in cash on demand.

14. LEASES

Authority as a lessee

The Authority has lease contracts for office premises. The Authority's obligations under these leases are secured by the lessor's title to the leased assets.

(a) Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Office premises \$
At 1 April 2020	6,977,579
Depreciation	(2,537,301)
At 31 March 2021 and 1 April 2021	4,440,278
Depreciation	(2,537,301)
At 31 March 2022	1,902,977

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

14. LEASES (CONT'D)

Authority as a lessee (cont'd)

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2021/2022 \$	2020/2021 \$
At 1 April	4,725,754	7,186,130
Accretion of interest	151,224	229,956
Payments	(2,788,750)	(2,690,332)
At 31 March	2,088,228	4,725,754
Current	2,088,228	2,637,526
Non-current	—	2,088,228

(c) Others

The following are the amounts recognised in profit or loss:

	2021/2022 \$	2020/2021 \$
Depreciation of right-of-use assets	2,537,301	2,537,301
Interest on lease liabilities	151,224	229,956
Total amount recognised in profit or loss	2,688,525	2,767,257

(d) Total cash outflow

The Authority had total cash outflows for leases of \$2,788,750 (\$2,690,332 in 2020/2021).

A reconciliation of liabilities arising from the Authority's financing activities are as follows:

	1 April 2021	Non-cash changes Interest	Other*	Cash flows	31 March 2022
	\$	\$	\$	\$	\$
Lease liabilities					
Current	2,637,526	151,224	2,088,228	(2,788,750)	2,088,228
Non-current	2,088,228	—	(2,088,228)	—	—
Total lease liabilities	4,725,754	151,224	—	(2,788,750)	2,088,228

* The "Other" column relates to reclassification of non-current portion of obligations under lease liabilities to passage of time.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

15. INCOME

	2021/2022	2020/2021
	\$	\$
License fees	48,000,000	48,000,000
Application fees	1,103,490	760,670
Fines	352,700	10,000
	<u>49,456,190</u>	<u>48,770,670</u>
Timing of transfer of services		
- At a point in time	1,456,190	770,670
- Over time	48,000,000	48,000,000
	<u>49,456,190</u>	<u>48,770,670</u>

16. EXPENDITURE ON MANPOWER

	2021/2022	2020/2021
	\$	\$
Employee benefits expense (including key management personnel):		
Salaries, allowances, and bonuses	23,356,133	20,986,665
Defined contribution plans	2,728,381	2,514,599
	<u>26,084,514</u>	<u>23,501,264</u>
Compensation of key management personnel		
Salaries, allowances, and bonuses	3,425,112	2,810,724
Defined contribution plans	396,305	386,673
Total compensation paid to key management personnel	<u>3,821,417</u>	<u>3,197,397</u>

Key management refers to employees designated as Directors and above who have the authority and responsibility for planning, directing and controlling the activities of the Authority.

17. MANAGEMENT AND PROFESSIONAL SERVICES

	2021/2022	2020/2021
	\$	\$
Computer services	3,468,650	3,172,859
Other professional services	6,146,515	5,380,641
Board fees	180,941	177,496
Others	2,735,152	1,870,292
	<u>12,531,258</u>	<u>10,601,288</u>

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

17. MANAGEMENT AND PROFESSIONAL SERVICES (CONT'D)

Computer services and other professional services consists of cost amounting to \$5,892,219 (2020/2021: \$5,630,032) paid/payable to Ministry of Social and Family Development ("MSF") relating to casino social safeguards costs and \$1,167,348 (2020/2021: \$1,167,348) paid/payable to Government Technology Agency ("GovTech") relating to IT services and manpower cost.

The remaining amount mainly pertains to cost paid/payable to contracted third party vendors in relation to provision of IT services.

18. OTHER OPERATING EXPENSES

The following items have been included in other operating expenses:

	2021/2022	2020/2021
	\$	\$
Plant and equipment expensed off	165,337	52,275
Intangible assets expensed off	7,619	13,059
Goods and services tax expensed off	1,172,464	1,013,028
	<u>1,345,420</u>	<u>1,078,362</u>

19. NON-OPERATING INCOME

	2021/2022	2020/2021
	\$	\$
Interest income from short term deposits	348,932	1,403,146
Others	115	78,042
	<u>349,047</u>	<u>1,481,188</u>

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

20. STATUTORY CONTRIBUTION TO CONSOLIDATED FUND

Under Section 13(1)(e) and the First Schedule of the Singapore Income Tax Act, Chapter 134, the income of the Authority is exempt from income tax.

In lieu of income tax, the Authority is required to make contribution to the Consolidated Fund of the Government in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act (Chapter 319A) and in accordance with the Finance Circular Minute No M5/2005. The contribution was computed based on 17% of the surplus net of transfer of funds to the Consolidated Fund for the year as at 31 March 2021.

During the financial year, management paid statutory contribution of \$946,254 (2020/2021: \$1,576,432). There is no contribution for the current financial year and the deficit amount would be carried forward to be off-set against future financial years' surplus.

The total contribution for the year can be reconciled to the net surplus as follows:

	2021/2022 \$	2020/2021 \$
(Deficit)/surplus of the Authority before statutory contribution to consolidated fund	(672,105)	5,566,197
Contribution payable at 17% (2020/2021: 17%)	—	946,254

21. COMMITMENTS AND CONTINGENCIES

The Authority is given the flexibility to lease for the use of computer equipment under GovTech's PC Bulk Tender with no purchase options with a third vendor. The Authority will pay a monthly fee for the use of those equipment. All other IT services will be subscribed via other GovTech's bulk tenders under the "Whole of Government ICT Infrastructure" arrangement.

	2021/2022 \$	2020/2021 \$
Within 1 year	192,757	143,156
Within 2-5 years	207,830	64,673
	400,587	207,829

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Authority's principal financial instruments comprise of cash and cash equivalents. The main purpose of these financial instruments is to finance the Authority's operations. The Authority has various other financial assets and liabilities such as trade and other receivables, trade and other payables, as well as accruals and provisions which arise directly from its operations. The Authority does not hold or issue derivative financial instruments for trading purposes.

The main risks arising from the Authority's financial instruments are credit risk and liquidity risk. The Authority reviews and agrees on the policies for managing each of these risks and they are summarised below.

(a) **Credit risk**

The Authority's credit risk is primarily attributable to its cash and cash equivalents and interest receivables. The Authority places most of its cash and cash equivalents with AGD where the deposits are placed with high credit quality financial institutions under the CLM scheme and are available upon request.

The Authority has no significant concentration of credit risk as there are policies that limit the amount of exposure.

The maximum credit risk that the Authority is exposed to is represented by the carrying amounts of its financial assets as stated in the balance sheet.

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) *Liquidity risk*

The Authority monitors and maintains sufficient cash and cash equivalents to finance its operations.

Liquidity risk analyses

The following table details the remaining contractual maturity of the Authority's financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Authority is required to pay.

	Note	On demand or within 1 year \$	Between 2 to 5 years \$	Total \$
2021/2022				
Trade and other payables	9	10,038,033	—	10,038,033
Provision for retention bonus		342,413	611,191	953,604
Provision for unutilised leave	12	1,593,521	—	1,593,521
Amount due to parent ministry and other government agencies	13	28,018	—	28,018
Lease liabilities	14	2,138,148	—	2,138,148
		14,140,133	611,191	14,751,324

	Note	On demand or within 1 year \$	Between 2 to 5 years \$	Total \$
2020/2021				
Trade and other payables	9	5,005,823	—	5,005,823
Provision for retention bonus		327,057	703,151	1,030,208
Provision for unutilised leave	12	1,577,847	—	1,577,847
Amount due to parent ministry and other government agencies	13	268,587	—	268,587
Lease liabilities	14	2,788,751	2,138,148	4,926,899
		9,968,065	2,841,299	12,809,364

CASINO REGULATORY AUTHORITY OF SINGAPORE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

Cash and cash equivalents, trade and other receivables, amount due to parent ministry and other government agencies, deposits, trade and other payables

The carrying amounts approximate fair values due to the relatively short-term maturity of these instruments.

Lease Liabilities

The carrying amounts of lease liabilities approximate their fair values as its incremental borrowing rate ("IBR") used to measure lease liabilities is based on the Cost of Capital for ministries as determined by the Ministry of Finance (MOF), a ministry of the Government of Singapore.

Provision for retention bonus

The carrying amount approximates fair value as the expected future contractual cash outflow is discounted to its net present value using an appropriate discount rate.

Classification of financial assets/liabilities

The carrying amounts of the Authority's financial instruments in each of the following categories are as follows:

	Note	2021/2022 \$	2020/2021 \$
Financial assets at amortised cost			
Trade and other receivables	7	235,076	321,489
Deposits		732,424	732,303
Cash and cash equivalents	8	146,247,920	123,275,160
		147,215,420	124,328,952
Financial liabilities at amortised cost			
Trade and other payables	9	10,038,033	5,005,823
Provision for retention bonus	12	878,833	963,179
Provision for unutilised leave	12	1,593,521	1,577,847
Amount due to parent ministry	13	28,018	268,587
Lease liabilities	14	2,088,228	4,725,754
		14,626,633	12,541,190

24. DIVIDEND

	2021/2022 \$	2020/2021 \$
Declared and payable during the financial year:		
Final exempt (one-tier) dividend for 2021/2022: nil cents (2020/2021: 0.0139 cents) per share	—	501,000

25. CAPITAL MANAGEMENT

The capital structure of the Authority consists of capital account and accumulated surplus. The Authority's objective when managing capital is to safeguard its ability as a going concern by monitoring and maintaining sufficient cash flows.

There were no changes in the Authority's approach to capital management during the year. The Authority is not subject to any externally imposed capital requirements.

26. EVENTS OCCURRING AFTER THE REPORTING PERIODEstablishment of the Gambling Regulatory Authority (GRA)

Subsequent to the reporting period, the Authority is in the process of being reconstituted to establish the Gambling Regulatory Authority ("GRA").

27. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Authority for the year ended 31 March 2022 were authorised for issue by the members of its Board on 5 July 2022.



casino
regulatory
authority

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